



Economic Impact Analysis Virginia Department of Planning and Budget

12 VAC 5-80 – Virginia Hearing Impairment Identification and Monitoring System
Virginia Department of Health
February 28, 2010

Summary of the Proposed Amendments to Regulation

The State Board of Health (Board) is proposing to update the Virginia Hearing Impairment Identification and Monitoring System regulations to conform to changes in national standards and incorporate amendments suggested by a 2007 periodic review. In particular, the Board proposes to require infants who receive neonatal intensive care services for longer than five days to be tested with ABR screening technology and to add a new section to address birthing centers.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

By amending the regulations and program practices to be current with the most recent national standard of care recommendations, infants will continue to be screened for hearing loss using the most appropriate technology and assessed for other factors which may put them at risk for hearing loss. Early identification of hearing loss is beneficial to children and their families. Without newborn hearing screening, hearing loss is not typically identified until two to three years of age and serious delays in language and other areas of cognitive development are likely to have occurred. Infants who are diagnosed and enter early intervention between 6 and 12 months of age can achieve normal language development. In addition, families who have infants identified with hearing loss can be linked with family-to-family support programs, such as Guide by Your Side where families who have had children with hearing loss serve as mentors to those

with a newly diagnosed child, and medical support programs such as the Hearing Aid Loan Bank.

Early identification is vital to reducing negative impact on language and cognitive development. Infants who are identified with hearing loss and receive early identification and amplification by six months of age will be one to two years ahead of their later identified peers in first grade in the areas of language, cognitive, and social skills.¹ Children with undetected hearing loss in one ear are more likely to be held back in school than those without hearing loss.² White and Maxon (1995)³ estimated that \$400,000 in special education costs are saved by high school graduation for a child identified early with hearing loss who receives appropriate educational, medical and audiological services.

According to the Department of Health, two of the 64 birthing hospitals which have specialty neonatal intensive care services would have to purchase ABR equipment to test those infants with stays of greater than five days. It is estimated that new ABR equipment may cost between \$15,000 to \$25,000. The other hospitals with these types of neonatal intensive care services already have the capability or are using this equipment. In net, the benefits are expected to exceed the costs.

Birthing centers have not previously reported formally to the department although the Code of Virginia has a provision for birthing centers. Risk assessments and referrals for hearing screening are currently being done in practice. Reporting findings to the department may require staff effort of one to three hours per month. Birthing centers typically have 25 or fewer births per month.

Birthing hospitals currently perform testing on all infants. Reporting time will be decreased with provision by the department of certain existing demographic data from births and elimination of monthly report totals, however with the new modified risk indicator list and

¹ Yoshinaga-Itano, C., Sedey, A., Apuzzo, M., Carey, A., Day, D., & Coulter, D. (July 1996). The effect of early identification on the development of deaf and hard-of-hearing infants and toddlers. Paper presented at the Joint Committee on Infant Hearing Meeting, Austin, TX.

² Bess, F. H., & Tharpe, A. M. (1986). Case history data on unilaterally hearing-impaired children. *Ear and Hearing*, 7(1), 14-19.

³ White, K. R., & Maxon, A. B. (1995). Universal screening for infant hearing impairment: Simple, beneficial, and presently justified. *International Journal of Pediatric Otorhinolaryngology*, 32, 201-211.

primary information or confirmation on infants assumed to pass, reporting time and effort may have a net increase by 2 to 30 hours monthly depending on the number of births at the facility.

Businesses and Entities Affected

The proposed amendments affect the 64 birthing hospitals and the two birthing centers in Virginia, as well as the 107 persons providing audiological services for infants and children in the Commonwealth.

Localities Particularly Affected

The proposed amendments do not disproportionately affect specific localities.

Projected Impact on Employment

The proposed amendments will not likely significantly affect total employment.

Effects on the Use and Value of Private Property

The proposed amendments do not significantly affect private property.

Small Businesses: Costs and Other Effects

The proposed amendments do not significantly affect small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments do not produce an adverse impact for small businesses.

Real Estate Development Costs

The proposed amendments do not affect real estate development costs.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed

regulation has adverse effect on small businesses, Section 2.2-4007.04 requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.